October 2000

# Insight

*For benefits administrators*

## REMINDERS—

Send in those Notice of Election (NOE) forms !

• Remember to always send in your NOEs as soon as they are completed. NOEs for the annual enrollment (signed during October with changes effective Jan. 1, 2001) should be sent to the Office of Insurance Services (OIS) by Nov. 15, 2000.

• The deadline for submitting your Supplemental Long Term Disability (SLTD) salary update diskettes is Oct. 27, 2000. All non-Comptroller General payroll groups must provide OIS with salary information for those subscribers participating in the SLTD program. Salary information should *only* be provided if the subscriber is enrolled in SLTD and has had a salary change since Oct. 1, 1999.

• Check the HMO service areas for 2001 (chart below). The active subscriber must *work* or *live* in the service area of the HMO. The retiree, survivor or COBRA subscriber must *live* in the service area.

• HMO Blue is offered only in service areas 5 and 11 effective Jan. 1, 2001. HMO Blue subscribers who do not work or live in these service areas will need to make another health carrier selection for Jan. 1, 2001. OIS is sending a list to each entity of subscribers under HMO Blue whose county address is not included in the HMO Blue service area. You will need to notify these subscribers to make another selection if they do not work or live in the HMO Blue service area.

• Also notice that MUSC Options is now available to active employees *living* or *working* in Charleston, Berkeley, Colleton or Dorchester counties. The plan is also available to non-Medicare retirees and dependents who *live* in these counties. Previously this was only available to MUSC employees.

### 2001 HMO Service Areas

| CODE | COUNTY | AVAILABLE HMOs |
|---|---|---|
| 1 | Oconee, Anderson, Pickens, Greenville | CIGNA |
| 2 | Spartanburg, Union, Cherokee | CIGNA |
| 3 | York, Chester, Lancaster | CIGNA |
| 4 | Greenwood, Laurens, Abbeville, Saluda, McCormick | none |
| 5 | Lexington, Newberry, Richland, Kershaw, Fairfield | Companion, CIGNA, HMO Blue |
| 6 | Aiken, Edgefield, Barnwell | none |
| 7 | Orangeburg, Calhoun, Allendale, Bamberg | Companion, CIGNA |
| 8 | Clarendon, Lee, Sumter | CIGNA |
| 9 | Chesterfield, Marlboro, Darlington, Dillon, Florence, Marion, Williamsburg | CIGNA |
| 10 | Georgetown, Horry | none |
| 11 | Charleston, Berkeley, Colleton, Dorchester | Companion, CIGNA, HMO Blue, MUSC Options |
| 12 | Beaufort, Jasper, Hampton | none |

South Carolina
Budget and Control Board
Office of Insurance Services

P.O. Box 11661
Columbia, South Carolina 29211
803-734-0678 • 1-888-260-9430
www.ois.state.sc.us

# BA survey answers

**Below are answers to some of the questions you asked or areas you addressed in the recent OIS BA Satisfaction Survey.**

**Q:** ***Will Long Term Care ever be pre-taxed with MoneyPlu$?***

**A:** No. Federal law does not allow Long Term Care premiums to be pre-taxed.

***Q. Is there any way that Hunt DuPree, Rhine & Associates (HDR) could provide us with a listing of entity participants on a periodic basis?***

**A.** Gordon Sherard, senior consultant at HDR says that at present, an individual participant may be checked through the 24-hour automated system. HDR is researching whether their software can provide entity-wide lists on a periodic basis.

Another possibility is that this information could be provided through the Internet. HDR will be discussing the Internet program with OIS in coming months and if possible, incorporate this feature. Results will be published in Insight.

***Q: What if we have a MoneyPlu$ question regarding accurate records of contribution and claim payments?***

**A:** According to Gordon Sherard, claims questions can be answered on-line by the MoneyPlu$ team. Your call is answered by the actual account administrator.

If there is a question about contribution discrepancies, the MoneyPlu$ team will work with the appropriate internal HDR department to get this reconciled.

All MoneyPlu$ records are audited both internally and externally to ensure correctness.

***Q: When should Merck-Medco send Explanation of Benefits (EOB) forms? Sometimes subscribers get them and sometimes they don't.***

**A.** According to Merck-Medco, EOBs are sent to subscribers only for direct claims (when the subscriber files a claim form directly to Merck-Medco because he paid for the prescription up front or due to a coordination of benefits with other coverage), or when a claim is denied.

***Q: How is the State Dental Plan fee schedule established?***

**A. The allowable charges contained in the State Dental Plan fee schedule are established annually by OIS, and may not reflect the total charge for a service by your dentist.**

The allowable charges are reviewed annually on the basis of funds available to pay program claims as well as a comparison with a schedule developed by the Health Insurance Association of America (which does take into account regional variations and claims history and all claims payments for each procedure). The state has been able to increase these fees moderately over the last few years, without an increase in employee premiums.

For example, the allowable charges for Class I preventive procedures were increased 10 percent in 1999.

OIS will begin evaluating ways to enrich the dental benefits plan in the near future.

Meanwhile, encourage your employees to enroll in the MoneyPlu$ Medical Spending Account for next year. This affords savings by allowing money to be set aside from their paycheck tax-free to cover their unreimbursed dental expenses.

***Q: How are claims paid by HMOs when the providers drop out of the network and then rejoin later?***

**A.** HMOs generally do not cover care received from providers outside their network unless the HMO preapproved the services or the services received were in an emergency situation. Therefore, if a provider drops out of the network, the subscriber must choose another provider participating in the network. If the provider drops out of the network and later returns to the network, benefits will not be allowed for services incurred during the non-participation period.

If you have questions that were not asked in the recent BA survey, please let us know and we'll try to get an answer for you and print it in Insight.

E-mail questions to Susie Chappell at schappell@ois.state.sc.us.

The information contained in *Insight* that affects your employees should be communicated to them in a timely manner.

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James E. Bennett, CPCU
Director

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# Ask the Counselor

The Customer Services and Operations departments at OIS are staffed with trained counselors who answer questions daily from benefits administrators, active subscribers and retirees.

As part of a regular *Insight* column, *Ask the Counselor* will address the most recent questions and concerns of the Customer Services Department callers.

If you have a specific concern that you would like answered in this column and shared with your peers, please contact Susie Chappell at schappell@ois.state.sc.us or 803-734-0576.

**Q:** ***Does the "first eligible dependent" rule still apply for Dependent Life after Jan. 1, 2001?***

**A: The "first eligible dependent" rule will still apply to Dependent Life coverage for dependent children. If the subscriber did not elect Dependent Life coverage within 31 days of the first eligible dependent child, then medical evidence of insurabilty is required to add any child to Dependent Life. If the subscriber currently has dependent children enrolled under Dependent Life, then a new dependent child can be added within 31 days of eligibility. The spouse must be added to spouse Dependent Life within 31 days of first eligiblity or medical evidence of insurability is required.**

*Q: I have an employee who has ceased work because of a disability. She has approximately seven months worth of leave that she will be using. I know that no Long Term Disability (LTD) benefits are payable while sick leave is paid. Should I file the paperwork now or wait until the leave is almost used up to see if she will return to work?*

**A: Anytime it appears that an employee will be out for 90 days or more, the employee should be given a LTD claim packet. The BA should immediately complete the Employer's Statement and send it to The Standard Insurance Company. The employee should fill out the authorization and the Employee's Statement and send them to The Standard. The doctor should fill out the Attending Physician's Statement (APS) and return it to The Standard with a copy of pertinent medical records. If an employee is seeing more than one doctor, photocopies of the APS should be made and given to each physician to complete, attach pertinent medical records and return.**

**If the employee brings any part of the packet back to the BA, the BA should send it to The Standard immediately. This allows The Standard to facilitate the collection of any missing information and to begin requesting any necessary additional documentation.**

**The Standard Insurance Company will review the file to determine if and when benefits are due. In this example, if the employee is covered by the Supplemental LTD plan, the minimum $100 monthly benefit may be due, regardless of leave benefits payable.**

**If additional claim packets are needed, contact Brad Smith at OIS at (803) 734-0607. If other questions arise, please contact The Standard Insurance Company at (800) 628-9696.**

*Q: I have received a request from Standard Insurance Company asking me to forward a Certificate of Coverage to one of my employees who is out on disability. Any time an employee signs-up for Supplemental Long Term Disability (SLTD) insurance, I give them a Certificate of Coverage. Do I need to give everyone covered by the basic plan one, too?*

**A: A Certificate of Coverage is an explanation of benefits. Similar to what is received from auto insurance carriers describing their coverage, these certificates describe the provisions of the Basic and Supplemental plan. There is one for the Basic and one for the Supplemental Plan.**

**Because of the number of people covered by the Basic LTD Plan, Basic Plan Certificates of Coverage are not automatically given to all employees upon enrollment. Instead, they are given to any employee FILING a disability claim. Supplemental Certificates of Coverage are given to employees when they ENROLL for the coverage.**

**Often, employees will not know what the certificate is or remember if they received a Certificate of Coverage. In those situations, The Standard will ask that the claimant be provided with another copy of the Certificate(s). If additional Basic or Supplemental Certificates of Coverage are needed, please contact Brad Smith with OIS at (803) 734-0607.**

## *The Insurance Advantage*

**If you received an overshipment of *Insurance Advantage* newsletters, please return them to the Office of Insurance Services.**

**Remember, you'll only need them through Dec. 31, 2000, and there may be others who did not receive enough for their growing number of subscribers.**

**If shipping is a problem, please call Joan McGee in OIS Communications at (803) 734-0578.**

State Budget and Control Board
Office of Insurance Services
Insurance Benefits Management
1201 Main Street, Suite 300
PO Box 11661
Columbia, SC 29211



**Return Service Requested**